

NEW CONSTRUCTION PURCHASE AGREEMENT

For use in North Dakota only

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Date: _____ MLS#: _____
This agreement made and entered into by and between _____ Thomsen Homes, LLC _____, Seller,
also known as "Builder" and _____, also known as "Buyer".

TERMS AND CONDITIONS: Subject to terms and conditions of this Agreement, Builder agrees to sell and convey to Buyer, and

Buyer agrees to purchase the property at: Street Address _____

City _____ County _____ State _____ Zip Code _____

Legally described as _____.

Builder has this day agreed to sell all included real estate to buyer for the sum of _____

_____ Dollars (\$ _____) for the real property as improved by construction and

the personal property, if any, chosen by Buyer and provided by Builder. Buyer agrees to pay \$ _____

earnest money.

Earnest money shall be (check one):

☒ released to Builder immediately and all earnest money released to Builder ☐ is ☒ is not refundable, except as specified herein

☐ delivered to the listing broker

☐ delivered to _____

within two (2) business days after the Final Acceptance Date of this Purchase Agreement. If earnest money is not released to

Builder, the earnest money shall be deposited in the trust account of the earnest money holder as specified above within one (1)

business day of receipt of the earnest money or Final Acceptance Date of this Purchase Agreement, whichever is later. Said earnest

money is part payment for the purchase of property described above. Additional Earnest Money of \$ _____, to

be deposited and/or released as follows: _____.

Buyer agrees to ☐ pay in cash ☐ finance remaining balance. If financing, see Mortgage Financing section. Construction financing

shall be the responsibility of the ☒ Builder ☐ Buyer. If construction financing is the responsibility of the Buyer, progress

payments shall be made by the Buyer to the Builder for work completed as follows: _____

_____.

SALE OF BUYER'S PROPERTY

This Purchase Agreement ☐ is (see attached Addendum) ☐ is not subject to a Contingency Addendum for the sale of the Buyer's
Property. This Purchase Agreement ☐ is ☐ is not contingent on the successful closing of Buyer's property located at
_____, which is currently under contract.

The closing of Buyer's property, if any, may still affect Buyer's ability to obtain financing, if financing is applicable.

COMPLETION, CLOSING, POSSESSION: The new home will be constructed and ready for occupancy on _____

which shall be the date of closing, subject to delays in the progress of construction due to strikes, lockouts, fire, unusual delay in
transportation, unavoidable casualties, inclement weather or any cause beyond Builder's control in the completion of the new home.

Builder shall deliver possession of the property immediately following closing unless otherwise specified. If for any other reason
closing is delayed by Buyer or Builder, either party shall have the option of assessing costs as follows:

See Thomsen Homes Guidelines _____.

Builder agrees to remove all debris and all personal property not included herein from the property by possession date.

FINAL INSPECTIONS: The Builder will obtain a Certificate of Occupancy prior to closing. The Buyer has a right to walk through the
property prior to closing with the Builder or Builder's representative and to hire, at Buyer's expense, an independent inspector. The Buyer
agrees to pay for final inspection(s) as required by the Lender or Appraiser. Any additional inspections necessary because of delays by the
Builder will be paid for by the Builder. Additional inspections required due to changes requested by the Buyer will be paid for by the Buyer.

INITIAL: BUYER _____ **DATE** _____ **BUILDER** _____ **DATE** _____

43 ADDRESS: _____ Page 2

44 **LABOR AND MATERIALS:** Builder agrees to furnish labor and materials for the construction of a home in substantial
45 conformance with plans and specifications furnished by ☒ **Builder** ☐ **Buyer** ☐ **Other** _____,
46 a copy of which is attached or is to be approved in writing by the Buyer prior to the start of construction. If plans are provided by
47 Buyer, Buyer will indemnify, defend and hold harmless Brokers/Agents from any claims or liability relating to any alleged copyright
48 infringements or violations of intellectual property rights related to the plans. This includes attorney's fees and costs.

49 **CHANGES IN SPECIFICATIONS:** Any significant changes in the plans and specifications must be approved in writing by both
50 parties, citing by **change order** any increase or decrease in the purchase price caused by such change. Unless otherwise agreed in
51 writing, any such increase or decrease shall be reflected as an adjustment in cash at ☐ **execution of the change order** ☒ **closing**.

52 **COVENANTS, CONDITIONS, RESTRICTIONS:** Builder ☒ **has** ☐ **has not** delivered copies of all covenants, conditions, and
53 restrictions pertaining to the property. If "**has**", Buyer acknowledges receipt and acceptance of said documents. If "**has not**", offer is
54 contingent upon Buyer's receipt and acceptance of said documents.

55 **BUILDER CONTRIBUTION (not to exceed maximum amount allowed by Lender):** Builder shall pay \$ _____
56 and Buyer may use it at their discretion towards points, buy-down fees, prepaid expenses or costs of closing. If Buyer does not use
57 all of the above stated Builder contributions, the excess amount may be applied to a reduction of the loan amount or sales price, if
58 allowed by Lender.

59 **MORTGAGE FINANCING:**

60 The Purchase Agreement ☐ **IS** ☐ **IS NOT** subject to the mortgage financing provisions below.

61 If **IS**, complete the **MORTGAGE FINANCING** section below.

62 Buyer shall apply for and secure, at Buyer's expense, a:

63 ☐ **CONVENTIONAL**

64 ☐ **DEPARTMENT OF VETERAN'S AFFAIRS ("DVA") GUARANTEED**

65 ☐ **FEDERAL HOUSING ADMINISTRATION ("FHA") INSURED**

66 ☐ **UNITED STATES DEPARTMENT OF AGRICULTURE ("USDA") RURAL DEVELOPMENT**

67 ☐ **OTHER** _____

68 Mortgage estimated to be _____ % of the sale price amortized monthly over a period of not more than 30 years with
69 an initial mortgage interest rate of no more than Best Avail % per year with 0 discount points (0.5 if required by financing program),
70 plus Private Mortgage Insurance, if applicable.

71 **MORTGAGE APPLICATION:** The mortgage application is to be made within **five business days** after the final acceptance date
72 of this Purchase Agreement. Buyer agrees to use best efforts to secure a commitment for such financing and to execute all documents
73 required to consummate said financing. If Buyer cannot secure a commitment for such mortgage, this agreement shall become null
74 and void; Buyer and Builder agree to sign a Cancellation of Purchase Agreement and earnest money shall be ☐ **refunded to Buyer**
75 ☒ **forfeited to Builder**.

76 **LOCKING OF MORTGAGE INTEREST RATE ("RATE"):** The Rate shall be locked with the lender(s) by Buyer:
77 (*Check one*)

78 ☐ **WITHIN FIVE (5) BUSINESS DAYS OF FINAL ACCEPTANCE DATE OF THIS PURCHASE AGREEMENT; OR**

79 ☐ **AT ANY TIME PRIOR TO CLOSING OR AS REQUIRED BY LENDER(S).**

80 **APPRAISAL:** If the property appraises for less than the purchase price, Buyer shall have the privilege and option of (a) proceeding
81 with consummation of the contract without regard to the amount of the appraised valuation, (b) re-negotiating or (c) canceling the
82 Purchase Agreement. If Buyer chooses to cancel, Buyer and Builder agree to sign a Cancellation of Purchase Agreement and earnest
83 money ☐ **refunded to Buyer** ☒ **forfeited to Builder**.

84 **LENDER COMMITMENT WORK ORDERS:** Nothing in this Purchase Agreement shall be construed as a warranty that Builder
85 will make repairs required by the Lender commitment. However, Builder agrees to pay up to \$ 0 to make repairs
86 as required by the Lender commitment. If the Lender commitment is subject to any work orders for which the cost of making said
87 repairs shall exceed this amount, Builder shall have the following options: (A) make the necessary repairs; or (B) negotiate the cost
88 of making said repairs with Buyer; or (C) with Buyer's consent, declare the Purchase Agreement null and void and sign a Cancellation
89 of Purchase Agreement and earnest money paid shall be ☐ **refunded to Buyer** ☒ **forfeited to Builder**.

90 **PERSONAL PROPERTY:** We, the undersigned, do hereby certify that the personal property included in the Purchase Agreement
91 is remaining with the property; however, it is not considered in the purchase price.

92 **INITIAL: BUYER** _____ **DATE** _____ **BUILDER** _____ **DATE** _____

94 CONVENTIONAL MORTGAGE

95 **PRIVATE MORTGAGE INSURANCE (PMI):** PMI may be required by the lending institution. Buyer agrees to pay all
96 subsequent years' mortgage insurance premiums as required by the lending institution. The said PMI may vary based on the
97 mortgage amount, unless paid in cash at closing.

98 FHA MORTGAGE

99 **MORTGAGE INSURANCE PREMIUM:** Pursuant to Federal Regulations, a one time Mortgage Insurance Premium must be
100 paid to FHA at the closing of this transaction. The said MIP may vary based on loan and will increase the mortgage amount unless
101 paid in cash at closing.

102 **FHA AMENDATORY CLAUSE:** "It is expressly agreed that, notwithstanding any other provisions of this contract, the purchaser
103 shall not be obligated to complete the purchase of the property described herein or to incur any penalty by forfeiture of earnest money
104 deposits or otherwise unless the purchaser has been given in accordance with HUD/FHA or VA requirements a written statement by
105 the Federal Housing Commissioner, Department of Veterans Affairs, or a direct endorsement lender, setting forth the appraised value
106 of the property of not less than \$ _____. The purchaser shall have the privilege and option of proceeding
107 with the consummation of the contract without regard to the amount of the appraised valuation. THE APPRAISED VALUATION
108 IS ARRIVED AT TO DETERMINE THE MAXIMUM MORTGAGE THE DEPARTMENT OF HOUSING AND URBAN
109 DEVELOPMENT WILL INSURE. HUD DOES NOT WARRANT THE VALUE NOR THE CONDITION OF THE PROPERTY.
110 THE PURCHASER SHOULD SATISFY HIMSELF/HERSELF THAT THE PRICE AND THE CONDITION OF THE
111 PROPERTY ARE ACCEPTABLE."

112 **FHA REAL ESTATE CERTIFICATION:** We, the undersigned, hereby certify that the terms of the contract for the purchase of
113 the above referenced property are true to the best of our knowledge and belief, and that any other agreement(s) entered into in
114 connection with this transaction is (are) attached to the sale contract.

115 **WARNING: Section 1010 of Title 18, U.S.C., Federal Housing Administration transactions provides: "Whoever for the**
116 **purpose of influencing in any way the action of such Administration...makes, passes, utters, or publishes any statement,**
117 **knowing same to be false, shall be fined not more than \$5,000.00 or imprisoned not more than two years or both."**

118 _____
119 Buyer Signature Date Builder Signature Date

120 _____
121 Buyer Signature Date Builder Signature Date

122 _____
123 Broker/ Selling Agent Date Broker/ Listing Agent Date

124 **PERSONAL PROPERTY ADDENDUM:** We, the undersigned, do hereby certify that the personal property included in the
125 Purchase Agreement is remaining with the property; however, it is not considered in the purchase price.

126 _____
127 Buyer Signature Date Builder Signature Date

128 _____
129 Buyer Signature Date Builder Signature Date

130 VA GUARANTEED MORTGAGE

131 **LENDER PROCESSING FEES:** Builder agrees to pay the VA Commitment Fee and the VA Closing Fee, if applicable, which
132 the lender cannot charge to Buyer, not to exceed \$ _____. This amount is in addition to Builder's Contributions to
133 Buyer's Costs, if applicable.

134 **DEPARTMENT OF VETERANS' AFFAIRS ESCAPE CLAUSE:** "It is expressly agreed that, notwithstanding any other provisions
135 of this contract, the purchaser shall not incur any penalty by forfeiture of earnest money or otherwise be obligated to complete the
136 purchase of the Property described herein, if the contract purchase price or cost exceeds the reasonable value of the Property established
137 by the Department of Veterans' Affairs. The purchaser shall, however, have the privilege and option of proceeding with the
138 consummation of this contract without regard to the amount of reasonable value established by the Department of Veteran's Affairs."

139 **INITIAL: BUYER** _____ **DATE** _____ **BUILDER** _____ **DATE** _____

141 REAL ESTATE TAXES, SPECIAL ASSESSMENTS & FEES

Actual

142 REAL ESTATE TAXES (general, drain, and maintenance fees): Based upon ☒ gross ☐ discounted ~~XXXXX~~ taxes for the
 143 year 20 18 from the Assessor to be paid as follows: At closing, Builder to pay (check one) ☐ none of ☐ all ☐ prorated to
 144 the date of closing ☒ prorated to the date Contract the real estate taxes based on the year specified above. In
 145 the event the closing date is changed, the real estate taxes paid, if prorated to the date of closing, shall be adjusted to the new closing
 146 date.

147 SPECIAL ASSESSMENTS SHALL BE PAID AS FOLLOWS:

148 ANNUAL INSTALLMENTS: ☐ There are none ☐ Buyer shall assume ☐ Builder shall pay on the date of closing
 149 ☒ Buyer and Builder shall prorate as of 1-1-19 all installments of special assessments due
 150 and payable for the year of closing. (All per public record)
 151 UNCERTIFIED (balance unpaid + interest): ☐ There are none ☒ Buyer shall assume approximately \$ _____,
 152 as of the date of contract. ☐ Builder shall pay uncertified special assessments on the date of closing in the amount of
 153 \$ _____ plus interest.
 154 WORK IN PROGRESS/PENDING/PROPOSED: ☐ There are none ☒ Buyer shall assume approximately
 155 \$ All per public record ☐ Builder shall pay on the date of closing special assessments in progress, pending and/or proposed as
 156 of the date of contract up to \$ _____.

157 TAX AND SPECIAL ASSESSMENT NOTICE: As of the date of this Purchase Agreement, Builder ☐ has ☒ has not received
 158 a notice regarding any new improvement project from any assessing authorities, the costs of which project may be assessed against
 159 the property. Buyer is aware there may be new public improvement projects, the costs of which may be assessed against the property.
 160 Builder agrees to immediately notify Buyer of any such notice received between the date of this Agreement and the date of closing.
 161 Builder and Buyer may then agree in writing, on or before the date of closing, to the payment terms of the notified assessments. In
 162 the absence of such an agreement, parties will agree to immediately sign a Cancellation of Purchase Agreement directing all earnest
 163 money paid hereunder to be refunded to Buyer. Following closing, Buyer shall pay all real estate taxes and any unpaid special
 164 assessments payable therewith and thereafter, for which payment is not otherwise provided. It is understood future general taxes
 165 and special assessments are only estimates.
 166 Buyer is aware that there may be a tax abatement on this property which may affect the tax proration.
 167 No representations have been made concerning the amount of subsequent real estate taxes or special assessments.

168 PRO-RATA ADJUSTMENTS: Homeowner association dues, rents, and all charges for water, sewer, electricity, propane,
 169 oil and natural gas shall be prorated between the parties as of Closing.

170 INSPECTIONS

171 Buyer is aware of the availability of property inspections. Buyer ☐ elects ☐ declines to have a property inspection(s) performed
 172 at Buyer's expense. This Purchase Agreement ☐ is ☐ is not contingent upon any inspections and/or tests of the property obtained
 173 by Buyer to determine its condition, including any non-intrusive testing or any intrusive testing as allowed pursuant to this Purchase
 174 Agreement.

175 All inspections and/or tests shall be done by inspector(s) or tester(s) of Buyer's choice, at Buyer's sole expense. Inspector(s) or
 176 tester(s) should be qualified to do the inspections and/or tests, as evidenced by a license or professional designation. If a North
 177 Dakota inspector, state registration is required. Buyer shall satisfy Buyer as to the qualifications of the inspector(s) or tester(s).
 178 Buyer shall not have the right to do intrusive testing without the prior written authorization of Builder. For purposes of this form,
 179 "intrusive testing" shall mean any testing, inspection or investigation that changes the property from its original condition or
 180 otherwise damages the property. Inspections and/or tests may include but are not limited to the following: electrical system,
 181 plumbing system, central cooling system, central heating system, ceilings, floors, basement, foundation, walls, windows,
 182 exterior, roof, radon, mold and asbestos.

183 Builder will provide access to attic(s) and crawlspace(s).

184 For purposes of this Contingency, "Calendar Days" shall end at 11:59 p.m., and include Saturdays, Sundays, and state and
 185 federal holidays.

186 If structure is already completed, all inspections, tests, and resulting negotiations, if any, shall be done within _____ Calendar Days,
 187 beginning with the day after the final acceptance of the Purchase Agreement. If structure is to be built, all inspections, tests, and
 188 resulting negotiations, if any, shall be done within _____ Calendar Days prior to closing.

189 INITIAL: BUYER _____ DATE _____ BUILDER _____ DATE _____

191 **Buyer shall have these options following inspection(s):**

192 **Negotiation-** If Buyer identifies any defects pertaining to the property resulting from the inspections and/or tests and intends
193 to negotiate the identified defects with Builder, then Buyer shall notify Builder, in writing, describing the defects and proposed
194 remedy. If Buyer & Builder have not agreed in writing to a remedy of the identified defects within the timeframe specified on
195 line 184 or 186 (whichever is applicable), this Purchase Agreement shall be in full force and effect.

196 **And/or:**

197 **Waiver-** Notwithstanding any provision to the contrary or any notice given, Buyer may unilaterally waive any defects,
198 providing that Buyer notifies Builder of waiver in writing, within the time specified on Line 184 or 186 (whichever is
199 applicable).

200 **Or:**

201 **Cancellation-** Notwithstanding any other provision of this Purchase Agreement, Buyer may, based on the inspections and/or
202 tests, declare this Purchase Agreement cancelled by delivering a signed Cancellation of Purchase Agreement to Builder within
203 the time specified on Line 184. Builder shall immediately sign the Cancellation of Purchase Agreement confirming said
204 cancellation and directing all earnest money paid hereunder to be ☐ refunded to Buyer ☒ forfeited to Builder.

205 If Buyer fails to have the inspections and/or tests performed within the time specified on Line 186 or 188 (whichever is applicable)
206 above, or does not notify Builder of Buyer's decision within said timeframe, then this contingency shall be deemed removed and the
207 Purchase Agreement shall be in full force and effect.

208 Any inspection and/or test required by FHA, VA, or any other governmental unit shall be done and paid for in accordance with the
209 applicable regulations and are not part of this Inspection Contingency Addendum.

210 Builder agrees to make the property reasonably available for said inspections and/or tests. Builder ☐ shall ☐ shall not have the
211 right to continue to offer the property for sale and accept back-up offers only until this Inspection Contingency is removed.

212 **ADDITIONAL PROVISIONS**

213 **DEED/MARKETABLE TITLE:** Upon performance by Buyer, Builder shall deliver a ☒ **Warranty Deed** ☐ **other deed** joined
214 in by spouse, if any, conveying marketable title, subject to: (A) building and zoning laws, ordinances, state and federal regulations;
215 (B) restrictions relating to use or improvement of the property; (C) reservation of any mineral rights by the state; (D) utility and
216 drainage easements which do not interfere with existing improvements; (E) rights of tenants as
217 follows N/A.

218 **TITLE AND EXAMINATION:** Builder, at Builder's expense, shall furnish an abstract of title, or a registered property abstract,
219 certified to date to include proper searches covering bankruptcies, state and federal judgments and liens, and levied and pending special
220 assessments. If, after examination, Builder's title is not insurable or free of defects and cannot be made so within sixty days after
221 notice containing a written statement of defects is delivered to Builder, then said earnest money shall be refunded to Buyer, and Buyer
222 and Builder agree to sign a Cancellation of Purchase Agreement. However, Buyer may waive defects and elect to purchase. *Buyer,*
223 *at Buyer's option, may agree to accept an Owner's Title Policy in the full amount of the purchase price in lieu of an abstract of title*
224 *if the property is subject to a master abstract or if no abstract of title is in Builder's possession or control.* If Buyer is to receive such
225 policy, Buyer shall pay the entire premium for such policy if no lender's policy is obtained, and only the additional cost of obtaining
226 a simultaneously issued owner's policy if a lender's policy is obtained. Buyer shall pay the premium for the lender's policy.

227 **BUILDER WARRANTIES:**

- 228 (a) that buildings are, or will be, constructed entirely within the boundary lines of the property;
229 (b) there is a right of access to the property from a public right of way;
230 (c) that Builder has not received any notice from any governmental authority as to violation of law, ordinance, or regulation
231 for a condition that remains uncorrected;
232 (d) that prior to closing, payment in full will have been made for all labor, materials, machinery, fixtures, or tools furnished
233 within the 90 days immediately preceding the closing in connection with construction, alteration, or repair of any structure on,
234 or improvement to, the property;
235 (e) if property is subject to restrictive covenants, Builder has not received any notice from any person or authority as to a breach
236 of the covenants which remains uncorrected. Any notices received by Builder will be provided to Buyer immediately.
237 All Builder warranties in Lines 228-236 shall survive the delivery of the deed or contract for deed.

238 **SUBDIVISION OF LAND:** If this sale constitutes or requires a subdivision of land owned by Builder, Builder shall pay all
239 subdivision expenses and obtain all necessary governmental approvals. Builder warrants the legal description of the real property
240 to be conveyed has been or will be approved for recording as of the date of closing.

241 **INSURANCE:** Builder agrees to carry public liability, builder's risk, fire and extended coverage during construction. Buyer agrees
242 to obtain insurance coverage satisfactory to their lender upon closing.

243 **RISK OF LOSS:** If there is any loss or damage to the property between the date hereof and the date of closing for any reason,
244 including fire, vandalism, flood, earthquake, or act of God, the risk of loss shall be on Builder. If the property is destroyed or
245 substantially damaged before the closing date, this Purchase Agreement is canceled, at Buyer's option, by written notice to Builder.
246 If Buyer cancels this Purchase Agreement, Buyer and Builder shall immediately sign a Cancellation of Purchase Agreement
247 confirming said cancellation and directing all earnest money paid hereunder to be refunded to Buyer.

248 **INITIAL: BUYER** _____ **DATE** _____ **BUILDER** _____ **DATE** _____

250 ENVIRONMENTAL CONCERNS: To the best of Builder's knowledge, there are no hazardous substances or underground
251 storage tanks unless otherwise noted in Purchase Agreement.

252 ARBITRATION: Optional and voluntary residential real property arbitration may be an option if a dispute arises out of this real
253 estate transaction. This option must be agreed to by all parties. If you are interested, information may be obtained from licensee.

254 FINAL ACCEPTANCE: Buyer understands and agrees that this Purchase Agreement is subject to acceptance by Builder in writing.
255 To be binding, this Purchase Agreement must be fully executed by both parties and a copy must be delivered.

256 OFFER CONFIDENTIALITY: Buyer is aware that Purchase Agreements generally are not confidential and in some cases
257 Builder, in dealing with multiple offers, could make other buyers aware of the existence and contents of this Purchase Agreement.
258 Buyer is aware that Buyer could make this offer contingent upon confidentiality prior to commencing negotiations with the Builder.

259 DISCLOSURE OF SALE TERMS: Buyer and Builder understand that the RMLS and members of the Fargo-Moorhead Area
260 Association of REALTORS® will be notified as to the price and terms of sale, upon closing.

261 DEFAULT: If Buyer defaults in any of the agreements herein, Builder may terminate this Purchase Agreement and payments made
262 hereunder may be retained by Builder to apply to damages (which Buyer agrees equals or exceeds that amount). This provision shall
263 not deprive either Buyer or Builder of the right to recover damages for a breach of this Agreement or of the right of specific
264 performance of this Agreement, provided this Purchase Agreement is not terminated, and further provided, as to specific
265 performance, such action is commenced within six months after such right of action arises.

266 TIME OF ESSENCE: Time is of the essence in this Purchase Agreement. This means that all deadlines are intended to be strict
267 and absolute.

268 FOREIGN INVESTMENT IN REAL PROPERTY TAX ACT ("FIRPTA"): As a general rule, 26 U.S. Code § 1445 (hereinafter
269 "FIRPTA") requires a transferee (Buyer) of a United States real property interest to withhold a tax from the proceeds of any
270 disposition of the real property interest if the transferor (Builder) is a foreign person (any person other than a United States person),
271 unless an exception to the FIRPTA withholding requirements applies. Exemptions from the general rule are set forth in the FIRPTA.

272 Due to the complexity of the FIRPTA, both the Buyer and the Builder are advised to seek appropriate legal and tax advice
273 regarding FIRPTA compliance, since failure to adhere to the FIRPTA withholding rules could result in legal liability to both
274 the Buyer and Builder and their agents or qualified substitutes.

275 Builder hereby represents and warrants that Builder ☐ is ☒ is not a foreign person, as defined by the FIRPTA. This representation
276 of the Builder shall survive closing. Builder's agents and Buyer's agents, and any qualified substitute, as those terms are defined by
277 the FIRPTA, may rely upon this representation.

278 If the Builder represents that it is a foreign person, the Buyer may be subject to income tax withholding requirements, and the Buyer
279 could be personally liable for failing to withhold a tax from the proceeds of the real estate disposition, if none of the enumerated
280 exemptions to the FIRPTA apply to the transaction. If the Builder represents that it is a foreign person, but that one of the exemptions
281 to the FIRPTA apply, Buyer may require Builder to provide specific documentation as prescribed by the FIRPTA to verify, under
282 penalty of perjury, that one of the exemptions to the FIRPTA withholding requirements applies to the transaction. If the Builder
283 represents that it is not a foreign person, the Buyer, or its agents or qualified substitutes, may require the Builder to provide specific
284 documentation as prescribed by the FIRPTA to verify, under penalty of perjury, that the Builder is not a foreign person. On or before
285 closing, the Buyer and Builder agree to complete, execute and deliver any affidavit, instrument, or statement which may reasonably
286 be required to comply with FIRPTA requirements.

287 ELECTRONIC SIGNATURES: The parties agree the electronic signature of any party on any document related to this transaction
288 constitutes a valid, binding signature.

289 NOTICE AND OPPORTUNITY TO REPAIR: North Dakota law requires that Builder provide a "Notice and Opportunity to
290 Repair" to Buyer at the time of closing (N.D. Cent. Code § 43-07-26). This notice requires that Buyer must give Builder written
291 notice of any defect within six months of discovery to give Builder an opportunity to correct the defect if it is under warranty.

292 SOLE WARRANTY: Builder provides a limited warranty that the constructed improvements to the property will be free from
293 defects in workmanship and materials for a period of one (1) year from the date of closing.

294 LIENS: Liens filed within ninety (90) days of completion of work on the property maintain priority. Liens may be filed after that
295 90-day period.

296 SUBCONTRACTORS AND/OR MATERIAL SUPPLIERS: Builder reserves the right to select and supervise all subcontractors
297 performing work under this Agreement. All subcontractor billings and payments shall be handled by the Builder. Buyer agrees not
298 to interfere with or issue instructions to work forces, nor to contract for additional work with contractors or subcontractors except
299 with Builder's written permission, if permission is granted.

300 INITIAL: BUYER _____ DATE _____ BUILDER _____ DATE _____

301 ADDRESS: _____ Page 7

302 **IMPORTANT HEALTH NOTICE:** Some of the building materials used in this home (or these building materials) emit
303 formaldehyde. Eye, nose, and throat irritation, headache, nausea and a variety of asthma-like symptoms, including shortness of
304 breath, have been reported as a result of formaldehyde exposure. Elderly persons and young children, as well as anyone with a
305 history of asthma, allergies or lung problems, may be at a greater risk. Research is continuing on the possible long-term effects of
306 exposure to formaldehyde.
307 Reduced ventilation may allow formaldehyde and other contaminants to accumulate in the indoor air. High indoor temperatures and
308 humidity raise formaldehyde levels. When a home is to be located in areas subject to extreme summer temperatures, an air-
309 conditioning system can be used to control indoor temperature levels. Other means of controlled mechanical ventilation can be used
310 to reduce levels of formaldehyde and other indoor air contaminants. If you have any questions regarding the health effects of
311 formaldehyde, consult your doctor or local health department.

312 **BUILDER'S RADON DISCLOSURE STATEMENT FOR EXISTING NEW CONSTRUCTION**
313 **Radon Warning Statement:** Homes in the area may have radon gas levels that exceed EPA standards. If you have concerns about
314 radon, you may want to consider having the property inspected before entering into a contract to purchase or making the inspection
315 a condition of your purchase. For additional information, visit the EPA website: www.epa.gov/radon
316 Has the property been tested for radon? ☐ Yes explain ☒ No
317 Are you aware of any radon concentrations in the property? ☐ Yes explain ☒ No
318 **If yes, attach the most current records and reports pertaining to radon concentrations, mitigation or remediation. If a mitigation**
319 **system has been installed, include the system description and documents.**

320 **BUILDER'S RADON DISCLOSURE STATEMENT FOR NEW CONSTRUCTION TO BE BUILT**
321 During the construction process there are various options to mitigate the risk of exposure to radon gas from entering the home.
322 Radon-resistant construction combines common building techniques and materials to seal entry points and route the gases outdoors,
323 helping to prevent radon from entering the home. If buyer has concerns regarding radon gas, buyer should consult the builder.

324 **AGENCY**
325 **NOTICE OF AGENCY REPRESENTATION: This notice does not satisfy statutory Agency Disclosure requirements.**
326 _____ is ☒ Buyer's Agent ☐ Builder's Agent ☐ Dual Agent ☐ Non-Agent
327 Selling Licensee -----check one-----
328 _____
329 Selling Brokerage
330 Nate Anderson is ☒ Builder's Agent ☐ Buyer's Agent ☐ Dual Agent ☐ Non-Agent
331 Listing Licensee -----check one-----
332 Thomsen Homes
333 Listing Brokerage

334 **DUAL AGENCY REPRESENTATION:**
335 ☒ Dual Agency representation **does not** apply in this transaction. **Skip lines 336-351.**

336 ☐ Dual Agency representation **does** apply in this transaction.
337 Broker represents both the Builder(s) and the Buyer(s) of the property involved in this transaction, which creates dual agency. This
338 means that Broker and its salespersons owe fiduciary duties to both Builder(s) and Buyer(s). Because the parties may have
339 conflicting interests, Broker and its salespersons are prohibited from advocating exclusively for either party. Broker cannot act as a
340 Dual Agent in this transaction without the consent of both Builder(s) and Buyer(s). Builder(s) and Buyer(s) acknowledge that:
341 (1) confidential information communicated to Broker which regards price, terms, or motivation to buy or sell will remain
342 confidential unless Builder(s) or Buyer(s) instructs Broker in writing to disclose this information. Other information will be
343 shared;
344 (2) Broker and its salespersons will not represent the interest of either party to the detriment of the other; and
345 (3) within the limits of dual agency, Broker and the salespersons will work diligently to facilitate the mechanics of the sale.
346 With the knowledge and understanding of the explanation above, Builder(s) and Buyer(s) authorize and instruct Broker and its
347 salespersons to act as dual agents in this transaction.

348 _____
349 Buyer Date Builder Date
350 _____
351 Buyer Date Builder Date

352 **INITIAL: BUYER** _____ **DATE** _____ **BUILDER** _____ **DATE** _____

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APPOINTED AGENCY: Appointed Agency ☐ **does** ☒ **does not** apply. If Broker has adopted an appointed agency policy, dual agency will not apply.

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Builder warrants that the property is directly connected to: ☒ **city sewer** ☐ **city water** ☐ **rural water** ☐ **well** ☐ **none**.
This Purchase Agreement ☐ **is (attach)** ☒ **is not** subject to a Subsurface Sewage Treatment System and Well Inspection Contingency Addendum.
SUBSURFACE SEWAGE TREATMENT SYSTEM: Builder ☐ **does** ☒ **does not** know of a subsurface sewage treatment system on or serving the property. (If **does**, see Subsurface Sewage Treatment System Disclosure Statement.)
☐ **Buyer** ☐ **Builder** agrees to provide, if required by this Purchase Agreement, governing authority, and/or lender, a licensed inspector’s subsurface sewage treatment system report or notice indicating if the system complies with applicable regulations. A valid certificate of compliance for the system may satisfy this obligation. Builder is not obligated to upgrade, repair or replace the subsurface sewage treatment system unless otherwise agreed to in this Purchase Agreement.
PRIVATE WELL: Builder ☐ **does** ☒ **does not** know of a well on or serving the property. (If **does**, and well is located on the property, see Well Disclosure Statement.)
☐ **Buyer** ☐ **Builder** agrees to provide a water quality test if required by this Purchase Agreement, governing authority, and/or lender.

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BUILDER HEREBY FURTHER WARRANTS THE PROPERTY AS FOLLOWS: _____

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OTHER TERMS: _____

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389 ADDRESS: _____ Page 9

390 **ADDENDA: The following addenda are attached and made a part of this Purchase Agreement.**

391 **NOTE: Disclosures are not part of this Purchase Agreement**

392 ☐ Addendum to Purchase Agreement

393 ☐ Addendum to Purchase Agreement: Sale of Buyer’s Property Contingency

394 ☐ Addendum to Purchase Agreement: Subsurface Sewage Treatment System and Well Inspection Contingency

395 **ENTIRE AGREEMENT:** This Purchase Agreement, any accompanying exhibits, and any addenda or amendments signed by the
396 parties shall constitute the entire agreement between Builder and Buyer and supersedes all other written or oral agreements between
397 Builder and Buyer. This Purchase Agreement can be modified only in writing signed by Builder and Buyer. All monetary sums are
398 deemed to be United States currency for purposes of this agreement. Buyer or Builder may be required to pay certain closing costs
399 which may effectively reduce the proceeds from the sale or increase the cash outlay at closing.

400 **A copy of this Agreement may be delivered in person or electronically to Builder, Buyer or their Agents.**

401 **BUYER:** Buyer agrees to purchase the property for the price, terms and conditions as set forth above. Buyer has reviewed and
402 understands all pages of this Purchase Agreement.

403 _____
404 Buyer Signature Date Buyer Signature Date

405 _____
406 Buyer Printed Name Buyer Printed Name

407 **BUILDER:** Builder accepts this Purchase Agreement and authorizes Listing Broker to withdraw said property from the market,
408 unless instructed otherwise in writing. Builder has reviewed and understands all pages of this Purchase Agreement.

409 ☐ **If checked, this Purchase Agreement is subject to attached Addendum to Purchase Agreement: Counteroffer.**

410 **All Builders must sign.**

411 _____
412 Builder Signature Date Builder Signature Date

413 _____
414 Builder Printed Name Builder Printed Name

415 **FINAL ACCEPTANCE DATE:** _____

416 **This is a legally binding contract. If you desire legal or tax advice, consult the appropriate professional.**